

## **Balance Forward Amounts**

### **Objective**

To move spending authority from one fiscal year to the next in the Minnesota Accounting and Procurement System (MAPS).

### **Policy**

The following table shows the Balance Forward process for the various appropriation types:

<b>CODE</b>	<b>NAME</b>	<b>BALANCE FORWARD</b>
01	Regular	No Balance Forward. Funds cancel.
02	Continuing	No Balance Forward. Appropriation stays open until end date.
04	Special	Balance Forward automatically executed by MAPS after fiscal year close and each month thereafter.
05	Biennial	Balance Forward automatically executed by MAPS after fiscal year close.
06	Open	No Balance Forward

## **Balance Forward by Entering Appropriation Documents**

This process is used to balance forward funds between July 1 and the fiscal year close that cannot wait to be moved by the automatic closing process. As shown in the table above, certain appropriation type codes will automatically process balance forwards during fiscal year close and twice each month after closing. Funds cannot be balanced forward before July 1 so un-obligated funds can be clearly identified.

All manual documents for actual balance forwards must be prepared by the agency and submitted to the agency's executive budget officer (EBO) for approval and input by the Minnesota Management & Budget. Only unencumbered and un-allotted balances within an appropriation account can be carried forward. The agency should consider the impact of future payroll transactions that could impact the estimate for balance forward amounts. A minimum amount necessary to conduct business may be balanced forward for appropriation accounts with dedicated receipts.

The authority to balance forward automatically will be determined by agencies and EBOs when setting up the appropriation account and choosing an appropriation type code.

### **Estimated Balance Forward**

An agency with appropriation accounts having a Budget Authority code of **G** (Greater of actual or estimated receipts), or **O** (Encumber Est/Spend Actual) may estimate a balance forward amount by establishing revenue budgets and using the revenue source code 9900. (See [Appropriations policy 0306-01](#)). This amount becomes available for allotment and encumbrance, however, the agency can only obligate this money and not spend it until the actual balance is carried forward into the new fiscal year.

After the actual balance forward has been processed or the fiscal year closing completed, agencies must decrease their revenue budgets with revenue source code 9900 to zero to avoid overstating the amount available for allotment and encumbrances.

### **Forms**

[FI-00520 Appropriation Balance Forward](#)

### **General Procedures**

<b>Step #</b>	<b>Actions to be Performed</b>	<b>Responsible Party</b>
	<b>Balance Forward by Entering Appropriation Documents</b>	
1.	Review and verify that the appropriation account has authority to carry money between fiscal years.	Agency
2.	Determine amount to be carried forward. Verify that the funds are unencumbered, UN-allotted, and available to balance forward.	Agency
3.	Complete the form for the correct amount and provide an explanation for the balance forward.	Agency
4.	Obtain the agency-authorized signature on the form. Submit the form to agency EBO.	Agency
5.	Review the form for consistency with legislative intent and authority to carry forward the amount requested. If the form meets these criteria, sign and forward to Agency Assistance. If not, contact the agency with questions and/or	Executive Budget Officer

	concerns.	
6.	Input the document into MAPS and file in the Agency Assistance area.	Minnesota Management & Budget, Agency Assistance
	<b>Estimate Balance Forward:</b> (dedicated receipts only)	
1.	Determine the need to set up encumbrances before annual operating budgets are processed. Determine if any estimated dedicated receipts will not be spent in the current budget fiscal year. Any estimated receipt balance that will not be spent in the current year may be set up in a revenue budget with a revenue source code 9900 in the new fiscal year.	Agency
2.	Secure the necessary approvals to establish the new fiscal year revenue budgets.	Agency
3.	Enter a revenue budget (RB) document for the amount of the estimated balance forward using revenue source code 9900.  When the RB is entered, the agency may create expense budgets (EB) to allot the funds and process requisitions and encumbrances against the funds.	Agency
4.	Reduce the estimated revenue budget for revenue source code 9900 to zero after the actual balance forward has been processed or the prior fiscal year closed.	Agency
5.	Periodically review the revenue budgets to ensure that no estimated balance forwards remain after fiscal year close.	Minnesota Management & Budget, Agency Assistance

**See Also**

MAPS Operating Policy and Procedure 0306-01 - Appropriations  
MAPS Operating Policy and Procedure 0308-01 - Revenue Budgets  
MAPS Operations Manual Chapter 03 - Budgeting Functions